(REGP) through the Khadi and Village Industries Commission (KVIC) for assisting the entrepreneurs in establishing village industry (VI) units, including the traditional leaf-cup/ plate making units, in rural areas and small towns with population upto 20,000 inlcuding those in the tribal dominated regions of the country, by availing of margin money assistance from KVIC and loans from public sector scheduled commercial banks, selected regional rural banks, cooperative banks, etc., for projects with a maximum cost of Rs. 25 lakh. Leaf-cup/ platemaking units are promoted under the Forest based industry (FBI) Group' of the village industries under the REGP. During 2006-07, margin money amounting to Rs. 1847.73 lakh was provided for various VI units under the FBI Group assisted during the year, generating 28,000 additional employment opportunities in the country. Of this, Orissa accounted for Rs. 52.77 lakh of margin money assistance with corresponding estimated additional employment of 1000 persons.

(c) REGP is a Central sector scheme and the approved grants for the scheme are released to the KVIC which, in turn, releases the funds (towards margin money assistance) to the banks against the projects sanctioned in each State/Union Territory (UT). During 2007-08, it has been targeted to assist the setting up of 1849 VI units under the FBI Group wth a margin money assistance of Rs. 2113. 13 lakh throughout the country, including 54 projects in Orissa with a margin money assistance of Rs. 61.90 lakh. 29 projects are reported to have been established in Orissa during 2007-08 (upto February, 2008), by utilizing Rs. 21.32 lakh of margin money assistance.

Regulating the Act of 1961

887. SHRIMATI SUPRIYA SULE: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether moving to liberalize small scale industries, Government is all set to remove a restrictive clause in 1951 law that prevented non-SSI players from setting up small units;

(b) if so, whether the number of items reserved for small-scale industries would remain the same at 114 but the restrictive clause would go;

(c) if so, by what time Government is considering to regulate the Act of 1961; and

(d) to what extent it would be helpful for small scale industries?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHAVIR PRASAD): (a) The Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, has laid the draft order regarding resciding of Notification No. 857(E) dated 10 December, 1997 and subsequent amendments made thereto on the Table of the two Houses of the Parliament.

(b) The number of products reserved for exclusive manufacture by Micro and Small Enterprises is presently 35.

(c) and (d) The rescinding of the Notification No. 857(E) and subsequent amendments made thereto would enable the MSMEs to access alternative sources to meet their credit/equity requirements for accessing modern technology and enhancing their competitiveness.